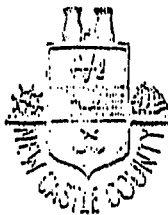


WILLIAM J. CONNER  
COUNTY EXECUTIVE



PUBLIC BUILDING  
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*County of L*

FROM: William J. Conner  
County Executive

DATE: December 2, 1971

TO: William H. Uffelman, Jr.  
Assistant County Attorney

RE: Land Redevelopment Company Contract

In 1968 the land available for solid waste disposal at Llangollen was rapidly being exhausted. We approached Mr. William Ward about the possible use of his gravel pit near Tybouts Corner for a modern sanitary landfill operation which could be conducted on a professional basis, avoiding the errors of failure to cover daily, fires, rat infestation, fumes, and other unpleasant effects which had been characteristic of the previous operation. We proposed to lease his land and return it to him when filled in order to maximize his interest in doing the job properly because he would then have filled land of maximum value at the end of the contract period.

Late in 1968 responsibility for the operation was transferred from the Department of Development and Licensing to the Department of Public Works, and Mr. Dutcher was brought into the negotiations. Records for the earlier years were sketchy, and Mr. Dutcher, like Mr. Ward, was unfamiliar with the details of the operation, although Mr. Dutcher had a clear understanding of the engineering requirements and of the requirements laid down by the cognizant state agencies.

Our contract was negotiated in full recognition of the fact that our facts were sketchy and that we were proceeding on the basis of estimates and assumptions based on a full disclosure of available information on both sides. We wrote in a minimum payment schedule to protect Mr. Ward's initial investment, and we expected that the space available would last us for five years based on the amount of material then being deposited at Llangollen. However, we knew that the trend was upward, and it was stipulated that the contract should end when the space was exhausted.

Due to an unexpected growth in the rate of deposit, which was primarily due to Mr. Dutcher's efforts to make sure that all materials generated in the County were deposited at our landfill, the space

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available was exhausted in two and one-half years. This was also due in part to the fact that Mr. Ward's people were liberal in application of cover material, which took up part of the space, and also because they were unable by reason of the accelerated deposits to excavate as much useful gravel as they had anticipated. On the whole, they did an excellent job from a technical standpoint; and the operation was a vast improvement over the Llangollen experience.

When it became clear that we had exceeded the minimum in the second year and that the landfill would not accommodate more than another year, Mr. Ward asked for adjustments in compensation in order to come nearer to his expected return. It was our feeling that some of these requests were justified. We had, for example, not mentioned in the contract the matter of his providing a gate truck into which 100 pounds or less of material could be deposited by citizens wishing to dispose of such amounts of material. I took the position that it was reasonable for him to be paid for these loads in 1970 and 1971 when the minimums were being exceeded.

There was also considerable discussion of the large number of pickups which were coming to the landfill with varying sized loads. Ward had originally agreed to follow the Llangollen practice of allowing the County to retain the \$2.00 charge for pickups. In view of the rapid increase in their number, I offered to share the revenue from the pickups on the basis of \$1.00 for the County and \$1.00 for Ward for the years 1970 and 1971 when the minimums were exceeded. I was not sympathetic to the argument that all of these pickups had more than two cubic yards of capacity and, therefore, should pay the full \$5.00 fee paid for a collector's truck. In my view it was quite clear from the negotiations that the wording in the contract was intended to apply to pickup loads.

We also discussed the number of state trucks and county trucks which were allowed to dump without charge, a practice which also increased as the contract progressed. Some allowance for these trucks appeared to me to be in order, based not on the size of the truck but on the volume of material actually deposited, since many came in with partial loads.

There were certain expenses to which the County was put in assisting Land Redevelopment to meet its obligations under the contract. These included treatment of the washing ponds adjacent to the fill to prevent their going septic and assignment of County crews to help with the collection of material which blew off the site across Route 13 in high wind conditions. These activities were required by the state regulatory authorities, and under our permit from them it was New Castle County's obligation to see that the appropriate measures were taken. Under our contract with Land Redevelopment, however, we had assigned this duty to Ward as part of his obligations in return for the fees being paid. In my views the costs of these operations should be an offset to any adjustments made in Mr. Ward's favor as indicated above.

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In summary I might say that I believe that both parties approached this arrangement with the determination to do a good job for the people of New Castle, and that the results show that, in fact, a good job was done. As often happens, the actual execution of the contract was not precisely as visualized when the contract was drafted; and I believe some adjustments are indicated. It is my hope that the arbitrators will be able to assess the equities and to arrive at a reasonable assessment of what the net adjustment should be.

WJC/smc

*William J. Cramer*

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